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Building an Effective Negotiating Team

An effective negotiating team is a prerequisite for success in trade negotiations. Yet several constraints beset small states in this regard. This chapter probes the constraints that arise from the staffing, organisation and processes within government institutions. In so doing, it tests a number of hypotheses which emerge from the literature and several assumptions which underpin donor programmes aimed at reducing capacity constraints.

To increase their negotiating leverage, small state negotiators have emphasised the need for their countries to develop and sustain a core team of skilled negotiators that can accumulate and retain knowledge. However, the study shows that inadequate human resources continue to be a major constraint for small states. While the number of officials working on trade negotiations is very low, particularly for the smallest and poorest countries, it is the recruitment, development and retention of high quality officials that is seen as the greatest challenge.

Information availability and analytical capacity is a significant problem across small states – a challenge closely related to human resource constraints. Most small states have access to national trade data, but rarely have economic impact assessments or analytical capacity to properly assess the trade-offs of different trade policy options. Even where small states have access to vast amounts of information, they face substantial human resource-related challenges in analysing this information and turning it into concrete negotiating positions. Countries also vary in their links to international networks of expertise, whether in the IGO, NGO or academic community.

Accountability is a further area of concern. The survey and interviews strongly indicate inadequacies in the extent and the quality of oversight by ministers and capital-based officials of negotiators. Further, in many small states, parliaments play no role in holding trade ministers to account. As a result, there are often few benchmarks for negotiators and weak requirements on them to deliver concrete and positive results. Instead, armed with only vague instructions, much is left to the discretion of individual negotiators. To improve accountability, institutional design matters at the national and regional level.

While donor organisations correctly identify strengthening human resources as a priority need, their trade-related interventions do not appear to address underlying constraints and indeed may sometimes exacerbate them. A substantial number of small states rely on their negotiating partners for information. However, the research and information provided by external consultants is not always tailored to the needs of small states and there are concerns that some information is biased towards the interests of donors. Short-term interventions such as studies by external consultants or international organisations may sometimes be useful, but do not address the broader challenge of supporting the development of analytical capacity within countries among researchers and analysts more familiar with the local economy.

Existing scholarship and capacity building initiatives

The existing scholarly and policy literature pays significant attention to the institutional and technical constraints that small states face in international trade negotiations. The main constraints identified include the lack of permanent missions in Geneva, weak intergovernmental co-ordination, poor communication and information flows within governments, lack of negotiating experience and low levels of technical competence among officials.³³ Scholars have also highlighted the tensions and poor co-ordination that arise from 'turf wars' due to, among other factors, overlapping mandates, as well as competition for resources and influence between ministries.³⁴

In their programmes to build capacity for trade negotiations, donors widely include among their stated objectives the aim of increasing technical and institutional capacity. On the technical front, the direct provision of consultants is a common form of intervention designed to directly increase the number and quality of technically proficient staff available. It is common practice among major bilateral donors, such as the EU and USA, to place consultants paid by them in developing country trade ministries and regional organisations, some of whom are given formal roles on the negotiating team of the country. In addition, some donor-financed projects directly fund or subsidise the costs associated with the participation of selected developing countries in negotiations. These kinds of assistance have been heavily criticised in the literature for raising serious conflicts of interest and risks of breach of confidentiality. As Page (2006) notes, 'if a negotiator has his salary paid by a trading partner country, and has travelled to a negotiation with that country on a ticket paid for by that country, it may be difficult for him to disregard this when in the negotiation'.³⁵ Channelling funds through a third party that does not have direct interest in the outcome of negotiations is one option for reducing the possibility of bias. A multi-donor effort also reduces the risks associated with receiving assistance from a single bilateral donor. For instance, the Commonwealth Secretariat manages a multi-donor 'Hub and Spokes' initiative, which provides consultants or 'trade policy analysts' to national governments and regional organisations.³⁶

The literature also warns that technical assistance strategies which rely on the repeated provision of external consultants can and often do perversely undermine the emergence of local expertise and institutional capacity for trade negotiations.³⁷ One recent improvement has been increased attention by some donors to longer-term challenges, such as building analytical capacity in local research centres to provide negotiation support to government and to improve co-ordination between government departments on trade policy by supporting the creation of inter-ministerial committees.³⁸

Another common donor capacity building method is to provide training to improve the quality of human resources and to improve the information base available to government officials. EU support in the context of the European Partnership Agreement (EPA) negotiations is illustrative. Its programme includes 'specific studies aimed at developing negotiating positions for ACP countries and regions, seminars, conferences and workshops linked to the trade negotiations; training in negotiating techniques for ACP

officials leading negotiating teams; and technical assistance to improve capacities in areas such as trade policy formulation, trade negotiations and negotiating techniques.³⁹ Similarly, a plethora of training on the details of negotiating texts is provided by the WTO, International Trade Centre (ITC) and others, while organisations like the United Nations Conference on Trade and Development (UNCTAD) also provide policy analysis. Here again, many training and technical assistance initiatives have come under criticism for poor design and delivery of projects and for bias towards supporting the commercial interests of donor countries.⁴⁰ In 2001, for instance, half of all reported trade-related capacity building for trade policy and regulation was dedicated to the ‘new issues’ favoured by developed countries.⁴¹ Indeed, some critics have argued that ‘contrary to their stated objectives, the real intent of technical assistance programs is not to develop developing countries’ capacity to negotiate but to get the developing countries to conform to the expanded trading agenda of the OECD countries’.⁴²

Importantly, the degree of bias and perceived bias in negotiation-related technical assistance and training varies according to the donor government and organisation providing support. In many cases, international organisations are perceived as more ‘neutral’ sources for capacity building than bilateral assistance from developed country governments. In the area of technical assistance and training for trade negotiations, developed country projects frequently rely on that government’s own officials, private sector consultants and/or private consulting companies to deliver its assistance, raising concerns about potential conflicts of interest and risks to the recipient country associated with breaches of confidentiality. To address such problems, the UK government has an explicit policy that the information provided through its assistance projects remains confidential to the recipient government.⁴³

New evidence from the survey, interviews and case studies

In our primary research, we probed to what extent the hypotheses discussed above, generated by academics and underpinning many donor efforts to enhance capacity, were ranked as important constraints by officials and negotiators from small states. The results are analysed below under three headings: human resource constraints, lack of information and weaknesses in co-ordination.

(a) Human resource constraints

The evidence we gathered underscores the importance, highlighted in previous research on developing countries in trade negotiations, of building and sustaining an effective negotiating team comprised of experienced and knowledgeable individuals.

Many interviewees stressed the need to build up a strong negotiating team and to ensure effective teamwork. This perception was borne out by the case studies, which show that the development of a tightly knit team of negotiators with complementary skills and a high level of trust established over many years can yield significant leverage in negotiations (Box 5).

Box 5. Developing a core negotiating team: Lessons from Mauritius and Ghana

Mauritius is able to translate the strength of its domestic trade policy process into strong trade negotiation performance through the quality of its core negotiating team of approximately ten highly experienced negotiators, drawn from both public and private sectors. While governments and ministers have changed over the past decade, the core negotiating team has remained highly stable. Concentrating the responsibility for negotiations in a small, stable and tightly bound group creates an informal network of accountability among negotiators, enhances trust and concentrates trade negotiation experience. Core team members are highly esteemed negotiators and command great respect in diplomatic circles, providing further leverage. ‘You can get the respect of others in Geneva, and this enables you to do more informally.’ A potential danger is that the fact that so much institutional memory has been embodied in so few individuals over time makes the trade policy process vulnerable to disruption should those individuals leave their posts.

By contrast, Ghana’s core international trade team consists of only five people, and suffers from high staff turnover and frequent reshuffling. Both in Brussels and Geneva, one negotiator lamented that ‘by the time that you get on top of the issues, your posting is ended’. The result is a lack of specialist, technical knowledge, particularly on complex new areas of negotiations, such as trade in services, where the consequences for the Ghanaian economy remain under study and many domestic stakeholders fear significant adverse impacts. Further, the national negotiating team is fragmented. When the head of the country’s multilateral trade team passed away in 2008, his ‘encyclopaedic knowledge’ went too. He had worked largely on his own and was only able to impart a portion of his knowledge to other colleagues.

Source: Interviews for case studies on Mauritius and Ghana, August 2008 (see Annex 4).

Several of our interviewees emphasised that an individual can make a significant difference in negotiations. As one Geneva-based expert noted:

‘Individuals are critical. You get a change in negotiator and a complete change in the way a delegation presents itself.’⁴⁴

The case studies give further insight into the role that skilled individuals can play in bringing national interests to the negotiating table and keeping them there (Box 6). The examples given show that the role individuals can play in raising the profile of a small country in negotiations by creating opportunities to make its voice heard should not be underestimated. That said, as highlighted by the still unresolved issue of cotton subsidies,

Box 6. The role of individuals: Benin and Samoa

The experience of Benin shows it is possible to have a high profile in international negotiations even with few resources. The Trade Ministry has limited staff, with little capacity to specialise and focus on particular issues: in total, eight people work on multilateral trade issues, none of them full time. Sheer numbers of officials were a particular problem when WTO negotiations on cotton turned into a marathon (i.e. as was the case at the Cancun Ministerial Meeting), and where only two or three African negotiators faced a series of meetings involving several hundred US negotiators. Despite this, Benin attained and maintained a high-profile in the cotton negotiations. One reason for this was the dynamism and personality of Ambassador Samuel Amehou. Many interviewed for the case study argued that the strength of his convictions and ideas, diplomatic skills and international background, as well as his ability to lobby, convince and take initiatives, made a tremendous difference to the attention that the cotton issue attracted.

Ambassador Amehou reflects that: 'I personally went to consult all the delegations present in Geneva, knocked at all doors so as to convince the maximum of people ... My time in Geneva was exhausting, we did not sleep at night and I had to drink a lot of coffee. But it was so exciting ... I love big fights. People would call me 'Mister Cotton' in Geneva. I made a lot of friends from all over the world.'

Similarly, the strong stance that Samoa initially took in its WTO accession negotiations has been attributed to the individual role played by its Attorney General: 'She was very tough in the negotiations, had a very imposing presence and took Australia and the EC to task in meetings. I had the impression no one could push her around.' When the Samoan Attorney General stepped down, the accession negotiations stalled.

Source: Interviews in Benin and with Pacific negotiators, August 2008 (see Annex 4).

success in getting an issue into the international spotlight does not necessarily mean effectiveness in ensuring the realisation of desired policy changes. While individual leadership can be a necessary ingredient for getting international attention to, and movement on, an issue, the Cotton-4 countries (Benin, Burkina Faso, Chad and Mali), also relied on other forces to win attention for their issue, including international researchers, support from several developed and developing governments, domestic stakeholders and international NGOs, including those that lobbied the US and other governments on the matter.

That said, there are several serious constraints to achieving tightly knit teams of experienced trade negotiators.

Shortage of personnel

Our survey results suggest that there is a serious shortage of personnel in small state trade negotiations. On average, small states have four people working full time on negotiations in their capital. There are wide differences between countries. Almost half of the respondents (36 of 78) have three or fewer officials working full-time on negotiations in their lead trade ministry and four countries do not even have one full-time official. This contrasts with 26 respondents who state that they have between three and ten full-time staff and 16 who say they have ten or more.⁴⁵

Small states are much more likely than larger states to have no permanent representation at the WTO. In 2006, of the 30 WTO members or observers who did not have a permanent mission, 20 were small states.⁴⁶ This situation is worse than the situation of LDCs that are WTO members, where one third have no permanent representation.⁴⁷ More than a quarter (17 of 62) of respondents stated that their country does not have a person working full time on trade negotiations in Geneva. More than two-thirds of respondents (43 out of 62) said that they had two or fewer staff members working full time on trade negotiations. Even for those countries that do have permanent representation in Geneva, the survey corroborates the problem of acute personnel shortages. That said, the human resource complement in Geneva varies substantially between small states. While 26 respondents said they have only one or two officials working on trade full time in Geneva, 16 said they have between three and eight officials working in this capacity and three respondents said they have ten or more.⁴⁸

In our interviews, discussion of human resource constraints arose with 35 negotiators. Nearly all raised the lack of financial resources as a major constraint in maintaining adequate staffing in Geneva, as did the Caribbean case study (Box 7). The prohibitive costs of flying teams of officials to an ongoing series of trade negotiation and committee meetings in Geneva or Brussels were also mentioned.

Increasing the number of officials dedicated to trade policy, and establishing a permanent WTO mission, might be particularly difficult and not especially desirable where populations are extremely small or countries are very poor and/or where there are more urgent demands for resources and staff in areas such as health and education. That is, decisions about staffing in Geneva may also reflect variations in the prioritisation of trade compared with other national policy issues. Closer scrutiny of the data shows, as might be expected, that the smallest countries have the fewest officials allocated to trade in their capitals and are least likely to have a mission in Geneva. For instance, the Cook Islands (population 20,000) have one person in Geneva and nobody working full time in the capital. However, the data also show high variation among both LDCs and small states in terms of the number of staff allocated to trade.

Furthermore, it is notable that 19 of the 20 small states without permanent missions in Geneva do have permanent missions at the UN in New York, and 16 of the 20 have permanent representatives in Brussels, focused on the European Commission.⁴⁹ This suggests that for many small states, influencing the aid and trade relationship with the

EU is a greater priority than efforts to influence trade policy at the WTO in Geneva, and is perceived to have greater potential benefits.

Box 7. Financial constraints to participation: Organisation of Eastern Caribbean States

The six OECS countries that are members of the WTO have a joint technical mission in Geneva. This mission relies on substantial financial assistance from donors. Even with this assistance, for many OECS countries the cost of attending individual meetings remains prohibitive. In the case of the 2007 WTO *Trade Policy Review* of the OECS, only three ministers from the six member countries that are also WTO members were present at the formal trade policy review meeting at the WTO. Of the three countries not represented by ministers, only one had an ambassador level representative present. As a result, St Lucia’s trade minister ‘made five presentations: one on behalf of the OECS, another as St Lucia and three on behalf of those absent’. As the minister noted: ‘The WTO told me this was a record for a trade minister in a single day’. Even though St Lucia was able to be present, its delegations to inter-national meetings are usually very small. In many instances, only one person accompanies the minister to ministerial meetings due to the high costs of sending a larger delegation. This undermines participation as ‘one person doesn’t have all the necessary technical expertise’.

Notably, for some regional bodies, such as the EU, it is accepted practice at the WTO for one representative (the EU Trade Commissioner) to make presentations on behalf of the region as a whole, although there is always a larger accompanying delegation of national and regional officials. One might be tempted to conclude that St Lucia’s presentations on behalf of other OECS members similarly reflect the benefits of regional co-operation. Importantly, however, the EU has a common trade policy review for the region as a whole. In the case of the OECS, the region’s members are reviewed during the same trade policy review, but it is not technically a ‘joint’ review, in that separate reports are prepared for each country. While it is possible that busy national trade ministers from small states are uncertain of the substantive benefits their participation in the trade policy review might yield, recent research argues persuasively that they would benefit from attendance at what is often the most comprehensive external review of a nation’s trade policies in any one government’s term.

Source: Interviews for case study on St Lucia, September 2008 (Annex 4); Ghosh, 2008.

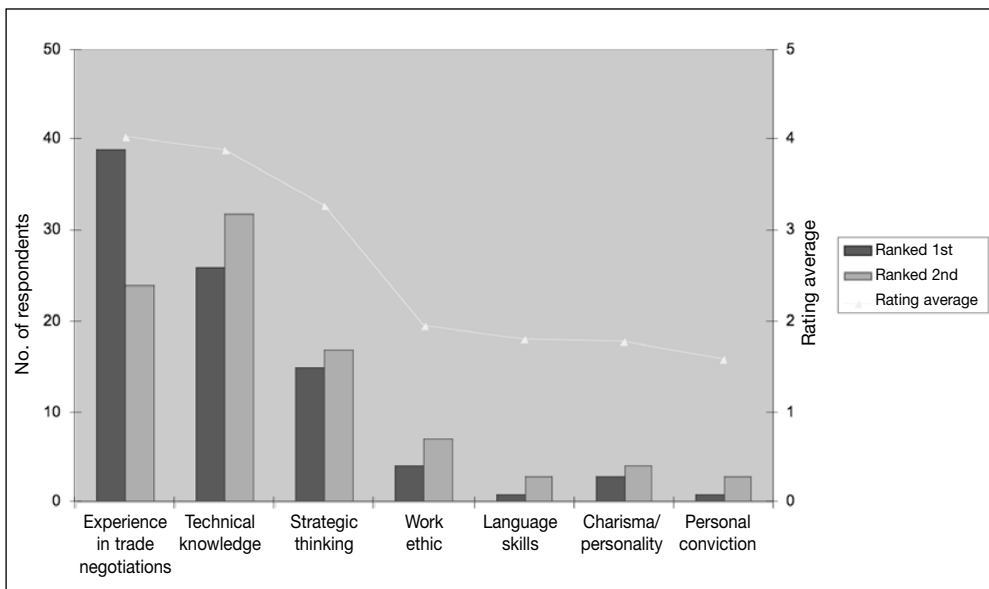
Gaps in experience and practical expertise

While the number of personnel is clearly a concern, many negotiators drew attention to the fact that quality of personnel is often far more important than quantity.

The survey results give insights into the quality of human resources available to small states and the skills that representatives consider most valuable for negotiations. The

survey indicates that ‘experience in negotiations’ is considered the most important attribute of an effective negotiator, closely followed by ‘technical knowledge’ and then ‘strategic thinking’ (Figure 1).⁵⁰ The personal qualities of negotiators, such as charisma, work ethic and personal conviction, were given a low ranking in the surveys. Similarly, language skills received a low ranking from both Anglophone and Francophone negotiators.⁵¹ By contrast, the interview results suggested that the personal charisma, tenacity and reputation of individual negotiators do indeed sometimes have a very significant influence on how much countries are heard and taken into consideration, though further study is needed to assess whether such qualities deliver actual results.

Figure 1. Most important personal qualities of negotiators



In interviews with 35 negotiators, a wider mix of attributes was raised as important for success in trade negotiations. Twelve of 35 respondents placed most emphasis on technical knowledge, ten emphasised negotiating experience, ten diplomatic skills and eight the negotiator’s attitude. Reinforcing the findings of our survey, one negotiator explained frankly that a lack of experience can be a particular liability:

‘None of us had any prior experience ... I ended up agreeing to something I shouldn’t have. It’s something that will be with me always. It was because of inexperience ... we went in blind.’⁵²

The interviewees highlighted the importance of diplomatic skills and the attitude or psychological disposition of the negotiator (two themes which do not arise in the literature or survey). The diplomatic skills highlighted included the need for negotiators who are

able to be flexible, honest and transparent, who empathise with their opponents, present unwelcome information in a constructive way to maintain good relations and who understand the psychology of negotiations. Several negotiators stated that the most adverse implication of smallness is that negotiators develop a ‘small mindset’:

‘Small countries feel inferior ... and tend to hold back. I don’t think there is a deliberate move or attempt to silence them.’⁵³

Some negotiators argued that the colonial past of their countries still exerts a psychological influence, citing particularly their negotiations with the EU, where some negotiators are predisposed to either expect the EU to be benevolent or, at the other extreme, to presume that they will have absolutely no influence at the negotiating table and so give up entirely. Some argued that in the context of EPA negotiations small states need to realise that the EU is not on their side and not be unduly intimidated, recognising that despite their representative power, European negotiators are merely ‘human’.

Effective communication and presentation skills are particularly important as they can leverage small states into chairing a committee, which can enable their country to exert influence in negotiations. Several negotiators mentioned the negative impact on negotiations of trying to play power games and being over-aggressive. That said, a significant number of interviewees dwelt on the importance of bringing a tenacious attitude to the negotiating table. In discussions about the attributes of an effective negotiator, interviewees emphasised the need for negotiators to be bold and take initiatives, be pushy where necessary, sustain commitment to negotiations and not get discouraged. One negotiator described an effective negotiator as follows:

‘... they have very strong political characters that are able to ask what needs to be asked. They don’t just sit back. They are not complacent. They will ask, they will enquire and they will push.’⁵⁴

However, good diplomacy cannot compensate for a poor grasp of the technicalities:

‘In Geneva you don’t need the kind of good diplomat who knows how to distinguish between malt whisky and blended whisky. You need someone who can understand the difference between a tariff, and a specific duty, and an ad valorem duty.’⁵⁵

The survey provides insight into the academic qualifications of negotiators and suggests that most negotiators have a significant level of relevant education. Eighty-three out of 84 respondents said that at least one person working on trade has a degree in economics or law, with 52 saying that ‘most’ officials have such degrees. Other prevalent degrees tend to be in a subject related to international politics.⁵⁶

Losing experienced personnel

To gauge the degree of institutional memory and expertise that small states are able to establish, the survey asked how long small state officials stay working on the trade portfolio. The survey results show that trade officials posted to Geneva tend to stay there

between three and five years.⁵⁷ Small states are not alone in experiencing this relatively high turnover. Indeed, diplomatic postings for most countries, large or small, generally operate on a rotation of between three and five years. In the national capitals of small states, trade officials have a longer tenure: while only 5 per cent of respondents said their officials typically stayed for more than five years in Geneva, 44 per cent said they typically stayed for more than five years in the capital in trade-related posts. While frequent moves within and between ministries are common even in many national civil services, the particular challenge for small states is that the pool of trained trade personnel – and of personnel trained to train others – is generally far smaller than in larger states. In light of the broader observations made by many negotiators on the constraints posed by lack of expertise, this suggests that the rate of turnover may indeed be an issue that warrants more attention in the specific case of small states, even though individual officials themselves did not complain about rotating between positions or issues.

A further finding which may pose a substantial constraint is ‘brain drain’ out of the public sector following postings to Geneva. Respondents were asked ‘what do trade officials usually move on to after being posted to Geneva?’. Of the 63 responses to this question, only 31 said that officials typically stay in government. A further 15 respondents said that officials usually leave government service and move to international organisations or the private sector and 17 respondents said a mix of the three.⁵⁸ This suggests that not only do small states have relatively few people in trade negotiations, whether in their capital, in Geneva or elsewhere, but a significant number of countries lose valuable negotiating experience when officials subsequently move on to pursue other opportunities.

These concerns were reflected in our interviews with 35 negotiators. When asked about human resource challenges, ten interviewees expressed deep concerns about low levels of retention and officials moving away to organisations like the World Bank, the WTO, the IMF or a range of UN agencies. Interestingly, some negotiators argued that when officials move to a regional organisation, it does not have the same negative effect on negotiating capacity since they often continue to pursue important national interests, give feedback on key information on negotiations and remain available to give advice.

When asked to specify the reasons why officials move out of the public sector, important ‘push factors’ that emerged were the career structure and management of trade officials. Five interviewees noted that they are moved around too much within the civil service and are unable to build up the necessary expertise to excel in trade negotiations, which is a source of frustration and demotivation:

‘When we go back to capital there is no guarantee we will go to the trade division. We could be moved on a whim.’⁵⁹

Others mentioned that civil service salaries are very low and facilities are often poor, resulting in low levels of morale. These constraints are compounded, interviewees suggest, by the fact that good performance is often not rewarded and that promotion within the civil service is based solely on tenure. The lack of career opportunities within the

civil service is also of concern. While small bureaucracies sometimes enable ambitious and highly-motivated negotiators to advance to high positions of responsibility and influence within their team, the fact of small trade bureaucracies and the highly specialised and technical nature of trade negotiations mean that some negotiators perceive the opportunities for professional growth to be limited.

In the case of ambassadors, small states share with larger countries a high turnover that is often due to political considerations. Brussels and Geneva postings are frequently mechanisms for political reward and contingent on changes in government. For small states with very few technical officials, a change in ambassador may have a greater adverse impact than for countries with larger delegations. This was recognised by one small state, whose negotiator explained that awareness of the need for continuity in negotiations meant that even when there was a change in government, they had retained the WTO and EU ambassadors until particular negotiations were completed.⁶⁰

The Barbados case study shows that strong leadership can help mitigate human resource problems and support the creation of an effective negotiating team. The Prime Minister personally championed trade, appointed a forceful and articulate trade minister with whom he worked closely and created a Cabinet sub-committee dedicated to trade.⁶¹

In the survey and interviews, we probed the effectiveness of measures such as the provision of consultants and training courses that aim to bridge human resource gaps. Survey respondents were asked how helpful they thought consultants were in helping them prepare for trade negotiations. The results show that an extremely high number of small states use consultants provided by donors (78 of 80 respondents) and that most governments also hire their own consultants (64 of 80 respondents). In both cases, consultants are considered to be a significant asset, with 97 per cent of those whose countries use donor-provided consultants stating they are 'helpful' or 'very helpful', and 91 per cent in the case of consultants hired by their own governments.⁶² This finding is somewhat surprising given that many interviewees were critical of the quality of information and expertise provided by consultants (see below).

In reflecting more generally on human resource constraints and the underlying problems, several negotiators were keen to point out that the most important attribute of a negotiator is experience, which cannot be taught:

'You can send people on training courses, but living through a day-to-day interaction with your negotiating partner accounts for a great deal ... you get to know how the other side thinks and this gives you an advantage in the process.'⁶³

As one ambassador noted:

'Although I have trained my team on WTO rules, it doesn't mean they are able to negotiate; theory is totally different from practice.'⁶⁴

Others noted that while technical advisers are often helpful and boost human resource capacity, they are ultimately an unsustainable form of assistance.

(b) Lack of information

Accurate and timely information is crucial to formulating trade policy and for setting goals and priorities for trade negotiations. In our interviews, survey and case studies we probed the extent to which information is available to small states and its source. Our interviews with negotiators underlined a strong perception that poor quality information is a significant constraint in negotiations. That said, their answers suggest that the problem cannot be solved without addressing human resource constraints. Eleven of the 34 negotiators with whom the issue was discussed emphasised that they had too few people to analyse the available information and relate it to their country's particular circumstances:

'I do not think that there is a shortage of studies, but someone has to filter the information. How can we use all of these reports and studies on a day-to-day basis?'⁶⁵

Our research indicates that small states rely on a wide mix of sources for information, including that generated by their own governments, international organisations, independent research centres, other parties to negotiations, NGOs, the internet and the private sector. The survey asked: 'What sources do you rely on most for information and analysis needed for international trade negotiations?'. The results show that small states rely on many sources (see Figure 2). Regional organisations and government ministries are the most important sources, closely followed by IGOs and Geneva missions. NGOs were ranked last, but still provide a substantial amount of information. Interestingly, regional organisations were most often ranked in second place, suggesting that they may be used as an alternative when information cannot be gained from government ministries or other sources. Five of the six answers to this question noted that the internet is a major source of information.⁶⁶

The survey results highlight problems officials perceive with information provided by their governments. Those surveyed did not consistently rate the quality of their own government-generated information as very high, a finding reinforced by the interviewees, half of whom said that the information generated by their own governments tended to be unreliable and that they depended on information from elsewhere. The survey results show that overall, small states produce significant quantities of data (Table 2). Eight of 86 respondents said their government did not regularly produce accurate up-to-date trade flow data; ten said it did not produce economic impact studies; 12 said it did not produce legal advice; and 12 said it did not produce diplomatic intelligence.⁶⁷ However, while most countries whose representatives responded to the survey produce information, the officials only ranked the quality of that information as 'average'. Trade flow data was more often perceived as 'good' than the other kinds of data. Economic impact studies were most likely to be considered 'poor' or 'very poor'.⁶⁸ This suggests that information types that require more specialised analysis and a range of detailed country-specific data are often poorer in quality.

The interviews provided further insights into the sources of information that negotiators turn to outside their own governments. Intergovernmental organisations offer a

Figure 2. Most important sources of information

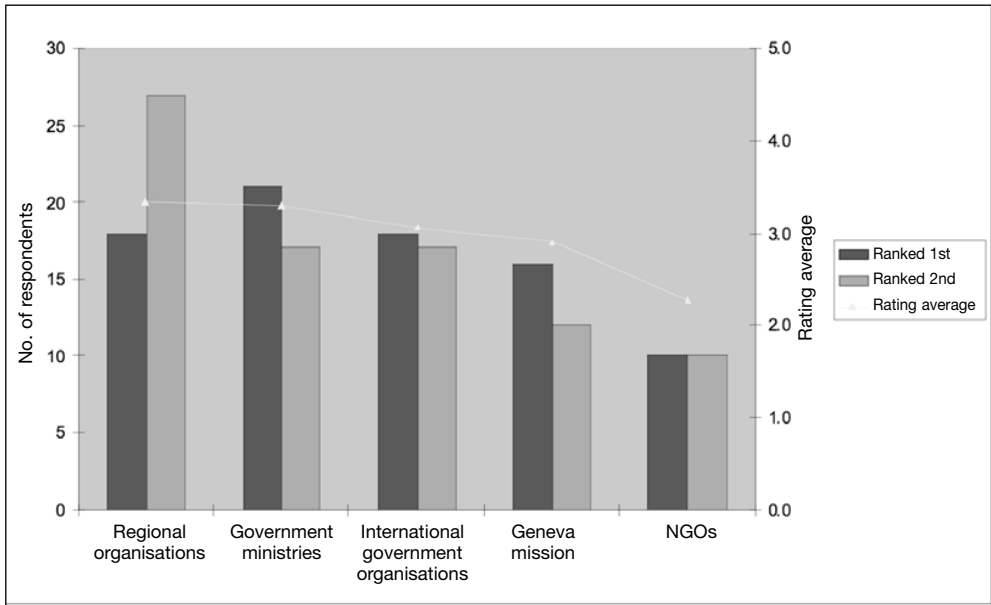


Table 2. Quality of information provided by governments in small states

| Information type | Government does not produce | Good | Average | Poor | Very poor |
|-------------------------|-----------------------------|------|---------|------|-----------|
| Trade flow data | 8 | 24 | 38 | 13 | 2 |
| Economic impact studies | 10 | 17 | 26 | 21 | 9 |
| Legal advice | 12 | 18 | 27 | 18 | 8 |
| Diplomatic intelligence | 12 | 22 | 22 | 14 | 8 |

popular source of information, with 24 of the 34 officials saying that they turned to organisations such as the Commonwealth Secretariat, South Centre, UNCTAD, WTO Secretariat or regional organisations. Of the other sources of information, 13 interviewees said they turned to independent research organisations, including the Overseas Development Institute (ODI), ECDPM and local universities. Rather strikingly, 13 interviewees reported that they relied primarily on their negotiating opponent and on donor organisations for information. Nine of the 18 Brussels representatives interviewed said they relied on the EU as a primary information source in the EPA negotiations, despite the obvious risks concerning the neutrality of information provided by negotiating partners. Other frequently mentioned sources of information included NGOs and the internet. The private sector was only mentioned three times as an important information source.

The quality of information to which negotiations have access is also perceived as a constraint on small states. Another concern is gaps in information. Almost half (15 of 34) of those interviewed emphasised the importance of improving the quality of economic impact assessments, highlighting the need for such studies to be tailored so they can easily be related to negotiating positions. Eight negotiators emphasised the need for improved intelligence on the interests of the negotiating partner, with four saying that they considered this to be the single most important type of information. Six interviewees noted the need for better statistical information, but again noted that they required more human resources to use this type of information to best effect.

External consultants and training programmes are often used to try to improve information quality and address information gaps. One interesting comment that repeatedly arose in the interviews was that the information and analysis provided by external consultants does not always meet the needs of small states. A further challenge, as observed above, is that external consultants, sometimes embedded long term in capitals, may be financed or seconded directly by the same governments with whom small states are engaged in trade negotiations, raising questions about the impartiality of information conveyed. In particular, information provided by consultants is often not rooted in the economic realities of their country, tends to be regional rather than country specific and may be based on assumptions about development priorities that are not necessarily shared by the government of the country concerned. As one negotiator commented in the context of the EPA negotiations:

‘Most studies are done by NGOs, the EU or outside consultants. Their judgement is influenced by their background. If you have a European background, you may not understand the set-up of an African economy.’⁶⁹

Another negotiator noted that the information provided in seminars and workshops by donor organisations is not always objective:

‘They [large countries] hold workshops and seminars to push their agenda. If people are not very aware, by the time they come to negotiations, they are already half sold.’⁷⁰

The case studies give further insight into the politics surrounding the provision of information and perceptions of the risks associated with relying on some sources and kinds of technical assistance (Box 8).

In sum, insufficient access to timely and accurate information is a significant problem for small states and this is closely related to human resource constraints. While they have much information at their disposal, they face substantial human resource-related challenges in analysing it and turning it into concrete negotiating positions. Small states seldom receive advance warning of policy changes and do not have the capacity to analyse country-specific impacts.⁷¹ Some important data are not available to small states, such as measurements of the impact of changes in trade rules on the local economy. They rarely have economic impact assessments or an overview of the trade-offs or different options, which require a high degree of analytical resources and detailed local information.

Box 8. The politics of information: The Caribbean

Several senior diplomats and academics in the Caribbean expressed concern at the role of economic ideology in negotiations. Although in the international arena there are a number of organisations developing heterodox arguments, several senior negotiators noted that local academic institutions need to be strengthened to offer alternative fora for training and analysis that is based on the specifics of the local economy. A technical official shared his view that a key substantive problem small states face is that in using information in negotiations they need to be able to show that many aspects of traditional trade theory ‘don’t work for small states’ and to advocate what would work. A senior academic in Barbados observed that until the recent creation of a Master’s programme at the University of the West Indies, the majority of training on trade negotiations in the region was provided by international organisations with inadequate understanding of the specific development challenges of small vulnerable economies. He argued that: ‘The WTO trade policy course runs regularly in Jamaica and the training from the World Bank and IMF over 10–15 years has taught people to think like neoliberals. At the political level, there is acceptance of the Washington Consensus and leaders take the view that there is no alternative.’

The Barbados case study also highlights the problems that can emerge from the biased provision of information through technical assistance. One seasoned negotiator cautioned that the SVE coalition has to be on the look-out for ‘Trojan horses’ in the guise of technical assistance, warning that by ‘crunching the numbers where you don’t have the capacity’, developed countries have tried to influence the negotiating positions of the SVE coalition to the detriment of its members.

Source: Interviews in Barbados and St Lucia, September 2008 (see Annex 4).

(c) Weaknesses in co-ordination

Ideally, officials negotiating on behalf of small states would work within well-co-ordinated trade strategies and priorities forged by their governments. Equally, the performance of negotiators would be measured against their success in promulgating those national strategies and priorities in negotiations. Our survey, interviews and case studies explored the extent to which this co-ordination and accountability are present.

The survey results show that formal mechanisms for co-ordinating policy among government departments exist in most small states, with only three of the 81 respondents saying that there was no such mechanism. Where co-ordination mechanisms exist, opinions on their efficacy were divided, although on balance opinion was favourable, with 33 respondents saying they were ‘excellent’ or ‘good’, compared with 17 who said they were ‘poor’ (Table 3).⁷²

The survey results suggest that the accountability of trade negotiators is often relatively weak. The survey queried the extent to which negotiators posted overseas are held

Table 3. Quality of formal mechanisms for intergovernmental co-ordination

| | Does not exist | Excellent | Good | Average | Poor |
|------------------------------------|----------------|-----------|------|---------|------|
| Quality of co-ordination mechanism | 3 | 2 | 31 | 28 | 17 |

to account by their line managers. A high number (46 of 74) of respondents said that when reports are sent from missions to capital, feedback is provided ‘sometimes’, ‘rarely’ or ‘almost never’.⁷³ The overall impression from the research conducted is that in many small states little attention is paid back in the capital to the outcomes of trade negotiations and that negotiators are largely left to use their own discretion with minimal guidance or instructions.

Interview responses suggest that the relationship between mission and capital is better than suggested by the survey, with the majority (17 of 24) interviewees saying that the relationship was good and that they were in regular contact. This finding could, however, reflect the fact that a greater number of interviews were conducted with Brussels negotiators (14), where 11 interviewees indicated that the relationship between the capital and the mission was good, than for Geneva, where only one of the five interviews indicated that the relationship was good. These differences may also be partly the result of the current level of negotiation activity for particular countries, rather than more systemic factors. That is, the good contact reported by interviewees in Brussels may reflect the particularly high level of political importance accorded to the ongoing EPA negotiations and the correspondingly high levels of engagement from ministers. In future research, it would be useful to conduct a systematic comparison between the views of officials based in capital and in various missions from the same country, and also to consider to what extent the results vary based on the stage and intensity of negotiations underway.

The variations in relationships between trade negotiators and their governments can be stark. Some missions and capitals ‘communicate every day, often more than five times’⁷⁴ and are in regular and direct contact with the minister or prime minister, even out of hours. Other negotiators face a very different reality. Severe delays in responses from the capital undermine the formulation of negotiating positions. As one Brussels-based negotiator lamented: ‘I don’t think we ever got comments in time’.⁷⁵ A Geneva-based negotiator noted that, in the absence of directions from capital: ‘my interventions are based on my experience, not my government’s position’.⁷⁶

To explore the impact of co-ordination on effectiveness in trade negotiations, the case studies explored the relationships and interactions among different government agencies and officials on trade matters within national governments. Many trade officials complained that counterparts in other ministries did not appreciate the importance of trade or the complex nuances of trade negotiations and rules. (Here, it should be noted that concern about being undervalued is a widespread concern of civil servants in most countries.) The case studies clearly show that tensions over turf on trade issues occur

widely within small states, in the same way that they do in most larger countries. Beyond ministries of trade, government ministries concerned with agriculture, business development, industrial policy, taxation, finance, development planning, infrastructure development, ports and customs may all have a piece of the trade puzzle. These findings concur with several recent studies which reveal that many countries lack formal inter-agency co-ordination mechanisms for trade policy-making and that within many governments consultations on trade occur mostly on an ad hoc basis.⁷⁷ The case studies also illustrate that establishing formal mechanisms for co-ordination, as many technical assistance projects have sought to do, may not improve co-ordination if there are not accompanying efforts to address underlying politics and turf battles (Box 9).

Box 9. Inter-ministerial co-ordination: Ghana and Benin

Both Ghana and Benin provide examples of countries that have received substantial technical assistance for inter-ministerial co-ordination, but where its effectiveness has been weak, in part because underlying political constraints remain under-addressed.

In Ghana, inter-ministerial co-ordination in the EPA negotiations was very weak. While some negotiators suggested this was because other ministries did not understand the importance of trade negotiations, officials in the Ministry of Agriculture observed that weaknesses sometimes stemmed from a poor understanding among trade officials of the importance of trade policy for other areas. Even though agriculture was one of Ghana's primary concerns in EPA negotiations, there was very little substantive discussion between the Trade Ministry and the Ministry of Agriculture. It was felt that trade officials 'don't realise the implications or appreciate the linkages'.

In Benin, inter-ministerial co-ordination remains weak and ad hoc, despite the inter-agency committee established with external assistance to help follow and implement WTO agreements, which included the key ministries. The committee has a sub-group dedicated to goods and agriculture that meets four times a year and can organise extraordinary meetings. Yet the Cotton Initiative faced major co-ordination and decision-making problems in Cotonou, stemming from tensions between the Ministry of Trade, which was in charge of WTO negotiations in the capital, and the Ministry of Foreign Affairs, whose ambassador was leading negotiations in Geneva. The Ministry of Trade felt that the cotton dossier had been 'stolen' from them. In addition, the committee's meetings were criticised by key actors interviewed for being infrequent and inefficient, failing to provide input to the mission in Geneva within strict negotiating deadlines and for the failure of some members of the committee to grasp the technicalities of the negotiating issues at hand.

Source: Interviews for Benin and Ghana case studies, August 2008 (see Annex 4).

Regional organisations such as the Caribbean Regional Negotiating Machinery (CRNM) and the Pacific Islands Forum Secretariat (PIFS) play an increasingly important role for small states in trade negotiations. Interviews conducted for the Barbados and St Lucia case studies highlighted the need for attention to accountability mechanisms for regional-level initiatives, such as the CRNM (as well as for domestic-level trade policy-making processes) and the challenges of designing an effective regional body when there are many disparities among the countries in a region (Box 10).

Box 10. Accountability of the Caribbean Regional Negotiating Machinery

The Caribbean is seen by negotiators from a range of small states as having relatively effective regional co-ordination for trade negotiations at the regional and multilateral level. The mechanism for co-ordination on trade matters in the region is the Caribbean Regional Negotiating Machinery. The CRNM provides policy advice and leads the region's negotiating team, comprising CRNM technical officials, ambassadors and senior officials from member states, and independent experts. The negotiating team is overseen by trade ministers.

Following the conclusion of the Caribbean's European Partnership Agreement negotiations in 2007, interviews conducted for this study shed light on perceptions among stakeholders and experts, as well as some officials in the region, about the oversight and accountability of the EPA negotiating process. Some interviewees raised concerns that technical oversight of the CRNM from trade ministers was relatively weak, resulting in a lack of clear political direction. Others argued that accountability of the regional negotiating team to member states was weakened by limited inputs from many members and noted that the capacity of individual CRNM member states to provide input to the negotiating team varied widely.

Some countries, such as Barbados, were cited as exhibiting a relatively high level of preparation, while other countries had very little knowledge or awareness of the EPAs. The smaller and less developed Organisation of Eastern Caribbean States countries were cited as those least able to provide inputs. One interviewee stated, for instance: 'Often countries don't even have data and positions to give the CRNM. The OECS Secretariat tries to support but doesn't have intimate knowledge of the countries.' Some interviewees were concerned that in the absence of clear positions from member states, the CRNM and wider negotiating team had to rely on their own discretion in formulating positions, leaving them open to accusations that the negotiators' personal views unduly influenced negotiating positions and strategies.

During the EPA negotiations, the EU and other external donors financed a significant portion of the core budget of the CRNM, including some salary costs. The reliance

Box 10 (continued)

on contributions from external donors, and in particular from the other negotiating party, has inflamed perceptions of a lack of accountability to local stakeholders and member states. One former minister asked: ‘Ultimately how much clout can you have when they [external donors] pay the CRNM?’. Even more directly, some civil society critics contend that the CRNM is ‘a tool of the European Commission’. Comments from one regional trade official reflected a recommendation heard in several interviews: ‘In future, top negotiators must be paid directly by governments, not those they are negotiating with’. In practice, putting this recommendation into effect would require the member states to provide greater financial support of their own to regional negotiators.

Source: Interviews for the Barbados and St Lucia case study, September 2008 (see Annex 4).

The survey also asked a broader accountability question about the extent to which the executive branch of the country’s government is held in check by its legislature on matters related to trade negotiations (Table 4). Only eight of 81 respondents said that parliament was not involved at all in scrutinising the process and outcomes of trade negotiations. But where parliament was involved, only three said it was ‘very effective’, 41 respondents said it was ‘moderately effective’ and 29 said it was ‘ineffective’.⁷⁸

Table 4. Level of parliamentary involvement in trade negotiations

| Level of parliamentary engagement | Response count |
|-----------------------------------|----------------|
| Not involved | 8 |
| Very effective | 3 |
| Moderately effective | 41 |
| Ineffective | 29 |

In sum, co-ordination between government institutions and oversight of trade policy are areas of concern for a significant number of small states. The survey and interviews show that there is little effective oversight by capitals of negotiators based in Brussels and Geneva, and in many small states parliaments play a limited role in holding trade ministers to account. As a result, there are few demands on negotiators to deliver results and much is left to the discretion of individual negotiators. The case studies suggest that care has to be taken in institutional design to ensure strong accountability. The design of regional negotiating bodies is a particular challenge, as negotiators need to be accountable to all member states, even when there are significant asymmetries in technical capacity and some members are far more forceful in articulating their interests than others.